

VISUAL 7.2

WHEAT SUPPLY AND DEMAND

Given the buy cards and sell cards in the Market in Wheat game, the following demand schedule and supply schedule are generated. Use this information to plot a demand curve and a supply curve on the graph below and then answer the questions.

1. What is the equilibrium price?
2. What prices would result in a surplus?
3. What prices would result in a shortage?

Demand Schedule (Buy)		Supply Schedule (Sell)	
Price	Quantity Demanded	Price	Quantity Supplied
\$1	26	\$1	0
\$2	22	\$2	2
\$3	18	\$3	4
\$4	14	\$4	6
\$5	12	\$5	8
\$6	10	\$6	10
\$7	8	\$7	14
\$8	6	\$8	18
\$9	4	\$9	22
\$10	2	\$10	26

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